

SECTION 4: REPORTING REQUIREMENTS

INSTRUCTIONS, FORMS and SCHEDULES

MONTHLY BILLING:

- Monthly billing instructions
- Monthly billing forms

REQUIRED ANNUAL AUDIT SCHEDULES:

- General Requirements
- Milwaukee County Department of Health and Human Services requirements
- Examples of reports and recoveries resulting from reporting deficiencies
- Required schedules
 - Schedule of Program Revenue and Expense
 - Schedule of Revenue and Expense by Funding Source
 - Schedule of Expenditures of Federal and State Awards
 - Incorporated Group Home/Child Caring Institution Supplemental Schedule
 - Reserve Supplemental Schedule
 - Schedule of Findings and Questioned Costs

Milwaukee County Department of Health Human Services (DHHS)

Billing Instructions

- 1 Data can only be entered in "grayed" cells.
 - Enter Agency/Program information on the "Exp" tab which will populate the same data fields on the "Rev" tab.
- 2 Both spreadsheets will round to the nearest whole dollar.
- 3 Choose month from drop down box on the "Exp" tab.
- 4 Any prior period adjustments should be made in the current month.
 - **DO NOT MAKE CHANGES TO MONTHS YOU HAVE ALREADY BILLED.**
 - Footnote any prior period adjustments on the current month report.
- 5 **INCREASES IN REVENUES AND EXPENSES SHOULD BE ENTERED AS POSITIVE NUMBERS.**
- 6 **DECREASES IN REVENUES AND EXPENSES SHOULD BE ENTERED AS NEGATIVE NUMBERS.**
- 7 If you report units, enter the unit rate and units. The expenses will automatically multiply the rate and the units **less revenues** to calculate reimbursable expenses.
- 8 Printing Hints
 - to automatically hide monthly detail to print Expense Billing Form click button in cell "C1" in the "Exp" tab.
 - to automatically hide monthly detail to print Revenue Billing Form click button in cell "B1" in the "Rev" tab.
 - to automatically unhide monthly detail to enter Expense Billings click button in cell "B1" in the "Exp" tab.
 - to automatically unhide monthly detail to enter Revenue Billings click button in cell "B1" in the "Rev" tab.

troubleshooting

- 1 If you open this spreadsheet and Excel has disabled the macros and you can not run the macros, on the formula bar click-Tools/Macros/Security and set to medium, you need to close this spreadsheet and reopen it after you make the change.

Milwaukee County Department of Health Human Services (DHHS)

Expense Report

Agency _____ Disability _____ Program _____ Contact _____	Month Ending JANUARY ▼ Certified By _____ Email _____ Phone Number _____
--	---

EXPENSES

Account Number	Expense Description	January Expenses	Year-To-Date Expenses	Approved Budget
		\$	\$	\$
7000	Salaries	-	-	
7100	Employee Benefits	-	-	
7200	Payroll Taxes	-	-	
*8000	Professional Fees	-	-	
8100	Supplies	-	-	
8200	Telephone	-	-	
8300	Postage & Shipping	-	-	
*8400	Occupancy	-	-	
8500	Equipment Costs	-	-	
8600	Printing & Publications	-	-	
*8700	Employee Travel	-	-	
8800	Conferences, Conventions, Meetings	-	-	
8900	Specific Assistance to Individuals	-	-	
**8916	Client Allowance	-	-	
9000	Membership Dues	-	-	
9100	Awards & Grants	-	-	
9200	Allocated Costs	-	-	
9300	Client Transportation	-	-	
*9400	Miscellaneous	-	-	
9500	Depreciation/Amortization	-	-	
*9600	Allocations to Agencies	-	-	
*	Other Than Above	-	-	
	Total Expenses	-	-	-
	Profit if Authorized %	-	-	-
	Total Expenses from Profit	-	-	-
	Total Non-DHHS Contract Revenue Brought Forward	-	-	-
	Total Net Expenses/Request	-	-	-

* Items must be explained on a separate page or the report will be returned and payment denied.

** Applies only to DD group homes and family care homes.

CONTRACT

Current Month Contract	Year-To-Date Contract	Approved Contract
-	-	

UNITS (if applicable)

January Units	Year-To-Date Units	Approved Budget Units
-	-	

If contract months do not equal 12 please enter-

Number of Contract Months _____

ESTIMATED PAYMENTS ARE MADE BASED ON THE LOWER OF:

CURRENT MONTH CONTRACT, CURRENT MONTH EXPENSES, OR CURRENT MONTH UNITS.

Current Month Units Expenses	Year-To-Date Units Expenses	Approved Unit Rate
-	-	

Expenses for Reimbursement does not include EARLY payments:

Email to: marmon@milwcnty.com

or

Mail to: Milwaukee County Department of Health & Human Services
 Attn: Maureen Armon -Fiscal Services Rm 470
 235 West Galena Street
 Milwaukee, Wisconsin 53212

Fax: Maureen Armon @ 414-289-8524

Milwaukee County Department of Health Human Services (DHHS)

Revenue Report

Agency _____ Month Ending JANUARY

Disability _____ Certified By _____

Program _____ Email _____

Contact _____ Phone Number _____

Account Number	Revenue Description	January Revenues	Year-To-Date Revenues	Approved Budget
		\$	\$	\$
CM4000	Contributions & Donations	-	-	
4100	Contributions to Building Fund	-	-	
*5100	Government Purchase of Service	-	-	
5114	Title XVIII (Medicare)	-	-	
5115	Title XIX (Medicaid)	-	-	
5116	SSI & SS	-	-	
5117	CIP Revenue from Milwaukee County	-	-	
5119	COP revenue from Milwaukee County	-	-	
*5200	Grants form Government Agencies	-	-	
5301	HMO/PPO Revenue from Title XIX AFDC Clients	-	-	
5302	HMO/PPO Revenue from NonTitle XIX AFDC Clients	-	-	
CM6000	Dues	-	-	
6200	Program Service Fees-Other	-	-	
6206	Program Service Fees-Insurance	-	-	
CM6300	Intra Agency Sales of Supplies	-	-	
CM6400	Revenue from Disposal of Assets	-	-	
6500	Investment Revenue	-	-	
6600	Gains & Losses on Investments	-	-	
CM6900	Miscellaneous Revenue	-	-	
*	Other Than Above	-	-	
	DHHS Contract Revenue- Other Than Above	-	-	
	Total Non-DHHS Contract Revenue	-	-	-
	DHHS Contract Revenue	-	-	-
	Total Revenue	-	-	-

* Items must be explained on a separate page or the report will be returned and payment denied.

Email to: marmon@milwcnty.com
or

Mail to: Milwaukee County Department of Health & Human Services
Attn: Maureen Armon -Fiscal Services Rm 470
235 West Galena Street
Milwaukee, Wisconsin 53212

Fax: Maureen Armon @ 414-289-8524

SECTION 4: REPORTING REQUIREMENTS

REQUIRED ANNUAL AUDIT SCHEDULES

1. General Requirements

Annual audits of contract agencies receiving \$25,000 or more from Milwaukee County Department of Health and Human Services are required as per Wisconsin Statutes, Section 46.036 (4)(c). Those audits are to be performed in accordance with the requirements of the Wisconsin *Provider Agency Audit Guide, 1999 revision* issued by Wisconsin Departments of Health and Family Services, Corrections and Workforce Development. This document includes the following audit reports and schedules:

- Auditor's Opinion on Financial Statements and Supplementary Schedule of Expenditures of Federal and State Awards.
- Financial Statements of the Overall Agency.
- Schedule of Expenditures of Federal and State Awards.
- Incorporated Group Home/Child Caring Institution Supplemental Schedule.
- Reserve Supplemental Schedule.
- Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements in Accordance with Governmental Auditing Standards and the Provider Agency Audit Guide.
- Schedule of Prior Year Findings.
- Schedule of Current Year Findings.
- Corrective Action Plan.
- Schedule of Findings and Questioned Costs.

2. Milwaukee County Department of Health and Human Services Requirements

The allowability of costs is determined by the Federal Allowable Cost Principles found in *O.M.B. Circular A-122* for non-profit agencies and the Code of Federal Regulations 48 *CFR part 31* for for-profit entities, and State Allowable Cost Principles found in the *Allowable Cost Policy Manual* issued by the Wisconsin Department of Health and Family Services. Purchase of Service Contracts effective January 1, 2006 and later also limit the allowability of costs based on variance from the approved budget(s).

The annual audit report shall contain a budget variance and reimbursable cost calculation for each program contracted, as identified as a separate line item in Exhibit I of the Purchase of Service Contract. Such report shall follow the prescribed format, and determine the budget variance for each line item within the approved budget. Costs allowable under State and Federal Allowable Cost guidelines that exceed the approved budget by the greater of (1) 10% of the specific budget line item or (2) 3% of the total contract amount are deemed unallowable and not reimbursable under this contract. In no event shall the reimbursable amount exceed the contract amount.

An annual audit report in which the Schedule of Program Revenues and Expenses omits information or presents line-item information utilizing classifications not in strict adherence to those found in Form 3 will place the Contractor out of compliance with the contract.

In past years, many auditors have prepared audited financial statements and supplementary schedules with total disregard to the requirements in the contract. This has placed many Contractors in technical non-compliance. Effective with 2006 Purchase of Service Contracts, such deviations from the contract requirements may cause budget variances, resulting in fiscal recoveries owed DHHS that would not be owed if the auditor had complied with the requirements of the contract. **IT IS IMPORTANT THAT YOUR AUDITOR READ THE CONTRACT, THIS SUPPLEMENT, AND AGREE TO ABIDE BY THESE REQUIREMENTS.**

In order to implement these limitations on the allowability of costs, additional schedules are required in your annual audit. These schedules must conform specifically as laid out, and cannot combine individual line items. The line items **must** conform precisely to the line items found in the *Anticipated Program Expenses* Form 3 for each individual program. A separate schedule must be prepared for each program award. **MULTIPLE PROGRAMS CANNOT MAY NOT BE COMBINED INTO A SINGLE SUPPLEMENTAL SCHEDULE.**

Audited financial statements and supplementary schedules are the representation of management, not the auditor. Although auditors often prepare the financial statements and schedules on behalf of management, their accuracy and compliance the financial statements are still the responsibility of management. If auditor prepared supplementary schedules deviate from the required content and level of detail, it is quite possible the Contractor Agency will have unallowable costs and owe money back to Milwaukee County DHHS, simply because of the deficient reports. Please be sure your auditor is aware of the required schedules, their required content and the required level of detail. These schedules are your representation and responsibility, **you are the party responsible for their content and preparation, not your auditor.**

3. **Examples of properly and improperly reported schedules.**

Following are examples of properly and improperly prepared Supplementary Schedules of Program Revenue and Expense. These are all examples of reports based on the same underlying costs. The Contractor Agency in this example spent the contract amount, within allowable budget variance levels, on allowable expenditures, and when the Schedule of Program Revenue and Expense is properly prepared, owes no money back. All of the fiscal recoveries are the result of improperly prepared audit reports.

EXAMPLES OF PROPERLY AND IMPROPERLY REPORTED SCHEDULES

Underlying data and assumptions

	Budget	Actual
Wages	\$ 200,000	\$ 210,000
Benefits	50,000	57,000
Payroll Taxes	20,000	21,000
Supplies	1,000	2,000
Occupancy	150,000	140,000
Indirect:		
Payroll	40,000	35,000
Benefits	10,000	7,500
Taxes	4,000	2,500
	\$ 475,000	\$ 475,000

Example 1: Audit report correctly presented

Example 2: Audit report combines Wages, Benefits & Taxes

Example 3: Audit report segregates Benefits as Insurance & Retirement

Example 4: Audit reports Indirect Cost items as direct costs

Schedule of Revenue & Expense	Example 1	Example 2	Example 3	Example 4
Wages	\$ 210,000		\$ 210,000	\$ 245,000
Benefits	57,000			64,500
Benefits - Insurance			40,000	
Benefits - Retirement			17,000	
Payroll Taxes	21,000		21,000	23,500
Wages, Benefits & Taxes		\$ 288,000		
Supplies	2,000	2,000	2,000	2,000
Occupancy	140,000	140,000	140,000	140,000
Indirect Costs	45,000	45,000	45,000	
	\$ 475,000	\$ 475,000	\$ 475,000	\$ 475,000

Example 1: Audit report correctly presented

Analysis:	Budget	Actual	Variance	Maximum	Disallowed
Wages	\$ 200,000	\$ 210,000	\$ 10,000	\$ 20,000	\$ -
Benefits	50,000	57,000	7,000	14,250	-
Payroll Taxes	20,000	21,000	1,000	14,250	-
Supplies	1,000	2,000	1,000	14,250	-
Occupancy	150,000	140,000	(10,000)	15,000	-
Indirect Costs	54,000	45,000	(9,000)	14,250	-
		475,000			
Disallowed Variance		-			\$ -
	<u>\$ 475,000</u>	<u>\$ 475,000</u>			
Total Paid		<u>\$ 475,000</u>			
Recovery		<u>\$ -</u>			

Example 2: Audit report combines Wages, Benefits & Taxes

Analysis:	Budget	Actual	Variance	Maximum	Disallowed
Wages	\$ 200,000	\$ 288,000	\$ 88,000	\$ 20,000	\$ 68,000
Benefits	50,000	-	(50,000)	14,250	-
Payroll Taxes	20,000	-	(20,000)	14,250	-
Supplies	1,000	2,000	1,000	14,250	-
Occupancy	150,000	140,000	(10,000)	15,000	-
Indirect Costs	54,000	45,000	(9,000)	14,250	-
		475,000			
Disallowed Variance		(68,000)			\$ 68,000
	<u>\$ 475,000</u>	<u>\$ 407,000</u>			
Total Paid		<u>\$ 475,000</u>			
Recovery		<u>\$ 68,000</u>			

Example 3: Audit report segregates Benefits as Insurance & Retirement

Analysis:	Budget	Actual	Variance	Maximum	Disallowed
Wages	\$ 200,000	\$ 210,000	\$ 10,000	\$ 20,000	\$ -
Benefits	50,000	40,000	(10,000)	14,250	-
Payroll Taxes	20,000	21,000	1,000	14,250	-
Supplies	1,000	2,000	1,000	14,250	-
Occupancy	150,000	140,000	(10,000)	15,000	-
Indirect Costs	54,000	45,000	(9,000)	14,250	-
Unbudgeted Items		17,000	17,000	-	17,000
		475,000			
Disallowed Variance		(17,000)			\$ 17,000
	<u>\$ 475,000</u>	<u>\$ 458,000</u>			
Total Paid		<u>\$ 475,000</u>			
Recovery		<u>\$ 17,000</u>			

Example 4: Audit reports Indirect Cost items as direct costs

Analysis:	Budget	Actual	Variance	Maximum	Disallowed
Wages	\$ 200,000	\$ 245,000	\$ 45,000	\$ 20,000	\$ 25,000
Benefits	50,000	64,500	14,500	14,250	250
Payroll Taxes	20,000	23,500	3,500	14,250	-
Supplies	1,000	2,000	1,000	14,250	-
Occupancy	150,000	140,000	(10,000)	15,000	-
Indirect Costs	54,000		(54,000)	14,250	-
		475,000			
Disallowed Variance		(25,250)			\$ 25,250
	<u>\$ 475,000</u>	<u>\$ 449,750</u>			
Total Paid		<u>\$ 475,000</u>			
Recovery		<u>\$ 25,250</u>			

SECTION 4: REPORTING REQUIREMENTS REQUIRED ANNUAL AUDIT SCHEDULES PROGRAM REVENUE AND EXPENSE SCHEDULE

Prepare a separate Program Revenue and Expense Schedule for each program contracted. Each program contracted is represented by a separate line item on Exhibit I of the Purchase of Service Contract, and had has a separate Section 3 in the proposal submission. **DO NOT COMBINE MULTIPLE PROGRAMS IN A SINGLE PROGRAM REVENUE AND EXPENSE SCHEDULE.**

Specific Instructions

Actual. In the column labeled “Actual” report the actual costs incurred for the program during 2006 or the fiscal period ending in 2006. Do not include costs unallowable by the allowable costs rules contained in the *Allowable Cost Policy Manual, 1999 revision, O.M.B. Circular A-122 or Code of Federal Regulations 48 CFR part 31.*

Approved Budget. In the column labeled “Approved Budget” report the latest approved budget for the program, as calculated on Forms 3 and 4. If you need to combine information from more than one Form 3 and Form 4 in order to encompass the entire budget for this program, **STOP.** tTwo or more programs have been combined in the report. The total actual expenses reported in this schedule will be compared to one and only one program budget; MONEY WILL BE OWED BACK TO MILWAUKEE COUNTY. Prepare a separate Program Revenue and Expense Schedule for each individual program.

Variance from Budget. In the column labeled “Variance From Budget” report the difference between the actual expenses incurred and the approved budget. Actual expenses in excess of the approved budget will be reported as positive amounts; actual expenses less than the approved budget amount will be reported as negatives.

Revenues. Report program revenues for all services performed in 2006 identified by the line items indicated. **DO NO COMBINE LINE ITEMS.** These line items correspond to the budgeting forms submitted with the original application, and were part of the basis used in determining the contract amount and/or rate.

Expenses. Report program expenditures for all services performed in 2006 identified by the line items indicated. **DO NO COMBINE LINE ITEMS.** These line items correspond to the budgeting forms submitted with the original application, and were part of the basis used in determining the contract amount and/or rate. As indicated in the examples previously presented, combination of line items may result in unallowability of otherwise allowable costs.

NAME OF AGENCY
Schedule of Program Revenues and Expenses
For the Year Ended December 31, 2XXX

Program Name : _____

	Actual	Approved Budget	Variance from Budget
Revenues:			
DHHS Purchase of Service Contract	XXX	XXX	XXX
DHHS LTS Revenue (CIP/COP)	XXX	XXX	XXX
DHHS IPN/FFSN Revenues	XXX	XXX	XXX
MCDA (Aging) Revenue	XXX	XXX	XXX
Other Program Revenues	XXX	XXX	XXX
Total Revenues	XXX	XXX	XXX
Expenses:			
Salaries	XXX	XXX	XXX
Employee Benefits	XXX	XXX	XXX
Payroll Taxes	XXX	XXX	XXX
Professional Fees	XXX	XXX	XXX
Supplies	XXX	XXX	XXX
Telephone	XXX	XXX	XXX
Postage and Shipping	XXX	XXX	XXX
Occupancy	XXX	XXX	XXX
Equipment Costs	XXX	XXX	XXX
Printing and Publications	XXX	XXX	XXX
Employee Travel	XXX	XXX	XXX
Conferences, Conventions, Meetings	XXX	XXX	XXX
Specific Assistance to Individuals	XXX	XXX	XXX
Membership Dues	XXX	XXX	XXX
Awards and Grants	XXX	XXX	XXX
Allocated Costs (From Indirect Cost Allocation Plan, if applicable)	XXX	XXX	XXX
Client Transportation	XXX	XXX	XXX
Miscellaneous	XXX	XXX	XXX
Depreciation or Amortization	XXX	XXX	XXX
Allocations to Agencies, Payments to affiliated Organizations	XXX	XXX	XXX
Total Expenses	XXX	XXX	XXX
Net Profit	XXX	XXX	XXX
Allowable Profit (include calculation)	XXX	XXX	XXX
Net Profit in excess of Allowable Profit	XXX	XXX	XXX

SECTION 4: REPORTING REQUIREMENTS
REQUIRED ANNUAL AUDIT SCHEDULES
SCHEDULE OF REVENUES AND EXPENSES BY FUNDING SOURCE

The Schedule of Revenues and Expenses by Funding Source incorporates all revenues and expenses for Milwaukee County DHHS funded programs as well as all other contracts, programs and functions of the Agency.

Milwaukee County DHHS Funded Programs. Report the total funding from Milwaukee County DHHS funded programs by Division – Disabilities Services Division (DSD), Delinquency & Court Services Division (DCSD), Economic Support Division (ESD), Behavioral Health Division (BHD), and Wraparound and other Fee for Service Networks (IPN/FFSN). It is not necessary to report each individual program separately, however it is necessary to report programs funded by each of the Divisions separately. If a program is partially funded by Milwaukee County DHHS and partially funded by another source, it must be included here.

Other Programs. Report other programs, contracts and functions of the Agency that are not funded by Milwaukee County DHHS. These would include Contracts with and Programs funded by Municipalities, Other Counties, the State of Wisconsin, and other Agencies. If a program is partially funded by Milwaukee County DHHS and partially funded by another source, do not include it here,; it must be included under “Milwaukee County DHHS Funded Programs.”

Indirect Costs. Report all indirect costs allocable to programs and functions in this column.

Total Agency. Sum all the reported revenues and expenses from the previous columns and place the total in the final column. The amounts in the final column should agree with the Agency-wide Statement of Operations or Income Statement.

Revenues and Expenses. Please do not alter the line items identified in this Schedule. These line items correspond to the line items in the approved budget upon which the Contract amount and/or rate were based.

Allocated Costs. Report the total indirect costs allocated to the programs or contracts in each of the columns. Report the total costs allocated to all the programs as a negative figure in the “Indirect Costs” column. When summed across, the total for this line reported in the “Total Agency” column should be zero.

SCHEDULE OF REVENUES AND EXPENSES BY FUNDING SOURCE

NAME OF AGENCY Schedule of Revenues and Expenses By Funding Source For the Year Ended December 31, 20XX

	Milwaukee County DHHS Funded Programs						Other Programs	Indirect Cost	Total Agency
	DSD	DCSD	ESD	BHD	IPN / FFSN				
Revenues:									
DHHS Purchase of Service Contract	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
DHHS LTS Revenue (CIP/COP)	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
DHHS IPN/FFSN Revenues	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
MCDA (Aging) Revenue	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Other Program Revenues	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Total Revenues	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Expenses:									
Salaries	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Employee Benefits	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Payroll Taxes	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Professional Fees	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Supplies	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Telephone	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Postage and Shipping	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Occupancy	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Equipment Costs	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Printing and Publications	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Employee Travel	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Conferences, Conventions, Meetings	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Specific Assistance to Individuals	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Membership Dues	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Awards and Grants	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Allocated Costs (From Indirect Cost Allocation Plan, if applicable)	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Client Transportation	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Miscellaneous	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Depreciation or Amortization	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Allocations to Agencies, Payments to affiliated Organizations	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Total Expenses	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Net Profit	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Allowable Profit (include calculation)	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX
Net Profit in excess of Allowable Profit	XXX	XXX	XXX	XXX	XXX		XXX	XXX	XXX

SECTION 4: REPORTING REQUIREMENTS
REQUIRED ANNUAL AUDIT SCHEDULES
SCHEDULES REQUIRED BY THE PROVIDER AGENCY AUDIT GUIDE

In addition to the above schedules, the Wisconsin Provider Agency Audit Guide has several required Schedules. Those Schedules are also required to be included in the annual audit report by the Milwaukee County Purchase of Service Contract. Please refer to the Provider Agency Audit Guide for instructions and information regarding each of these Schedules.

Schedule of Expenditures of Federal and State Awards. Follow the format and instructions contained in the *Provider Agency Audit Guide*. There are differences between the Schedule of Expenditures of Federal Awards required by *O.M.B. Circular A-133* and the Schedule of Expenditures of Federal and State Awards for audits performed in accordance with Circular A-133 contained in the *Provider Agency Audit Guide*. Prepare the Schedule under the requirements of the *Provider Agency Audit Guide*.

Incorporated. Group Home/Child Caring Institution Supplemental Schedule. Follow the format and instructions contained in the *Provider Agency Audit Guide*. This form includes a calculation of the allowable reserve for Non-profit Agencies. **For Profit Entities are not permitted to retain a reserve under Federal or State Guidelines.** Non-profit Agencies wishing to retain a reserve **MUST** complete the reserve schedule at the bottom of the form.

Reserve Supplemental Schedule. Follow the format and instructions contained in the *Provider Agency Audit Guide*. Non-profit Agencies contracting for services on a prospective rate basis are permitted to retain a reserve under State guidelines. **For Profit Entities are not permitted to retain a reserve under Federal or State Guidelines.** Non-profit Agencies wishing to retain a reserve **MUST** complete the reserve supplemental schedule.

Schedule of Findings and Questioned Costs. Follow the format and instructions contained in the *Provider Agency Audit Guide*. There are differences between the Schedule of Findings and Questioned Costs required by *O.M.B. Circular A-133* and the Schedule of Findings and Questioned Costs for audits performed in accordance with Circular A-133 contained in the *Provider Agency Audit Guide*. Prepare the Schedule under the requirements of the *Provider Agency Audit Guide*. Failure to include a Schedule of Findings and Questioned Costs consistent with the *Provider Agency Audit Guide* may result in requesting a properly prepared schedule before accepting the audit. Please refer to Milwaukee County Department of Health and Human Services Administrative Probation Policy regarding potential consequences if the audit is not accepted as submitted, and the auditor does not remedy the shortcomings.

Illustration 7.4 Schedule of Expenditures of Federal and State Awards

Example Agency Schedule of Expenditures of Federal and State Awards¹ For the Year Ended June 30 19X1

Federal Grantor/Pass-Through Grantor/Program or Cluster Title Expenditures	Federal CFDA Number	Pass-Through Entity Identifying Number ²	Federal
U.S. Department of Agriculture: Pass-Through Program From: Wisconsin Department of Health and Family Services			
Special Supplemental Food \$350,000	10.557	147071, 147080 & 147156	(Note B) ³
Program for Women, Infants, And Children			
Total Expenditures of Federal Awards			<u>\$350,000</u>
State Grantor/Program Expenditures		State Identifying Number	State
Wisconsin Department of Health and Family Services:			
GPR Childhood Lead	na	177010	\$85,000
GPR Lead Poisoning	na	177020	<u>\$15,000</u>
Total Expenditures of State Awards			<u>\$100,000</u>

The accompanying notes are an integral part of this schedule.
(These notes are on the following page.)

1 Additional formats for this schedule are available in the AICPA's Statement of Position 98-3 "Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards." Also, some providers prefer other formats for the schedule to better suit their circumstances and the information needs of their report users. Providers can use other formats if they include the elements for this schedule that are listed in Section 7.1.4.

2 Use the Community Aids Reporting System (CARS) profile number, purchase order number, or contract number for the Pass-Through Entity Identifying Number and the State Identifying Number.

3 If federal, state, and local funds are commingled and if the commingled portion cannot be separated to specifically identify the individual funding sources, the total amount should be included in the schedule, with a note describing the commingled nature of the funds.

Incorporated Group Home/Child Caring Institution Supplemental Schedule

Name of facility, HRS provider number

Period covered by the audit

- | | |
|---|--|
| 1. Total units of service | |
| 2. Allowable expenses for rate-based service | |
| 2a. Expenses allowable for reimbursement from the IV-E program | |
| 2b. Expenses allowable for reimbursement from the XIX program | |
| 2c. Other allowable expenses | |
| 2d. Allowable expenses for rate-based service (line 2a plus 2b plus 2c) | |
| 3. Total revenue for rate-based service | |
| 4. Excess (deficiency) revenue over expenses (line 3 less line 2) | |
| 5. Total reserve from all prior periods (not including this period) | |

6. Calculation of reserve and amounts due to purchaser:

[illegible]

Reserve Supplemental Schedule

Name of facility

Period covered by the audit

1. Total units of service
2. Allowable expenses for rate-based service
3. Total revenue for rate-based service
4. Excess (deficiency) revenue over expenses (line 3 less line 2)
5. Total reserve from all prior periods (not including this period)

6. Calculation of reserve and amounts due to purchaser:

[illegible]

Illustration 7.9 Schedule of Findings and Questioned Costs, Continued

Example A – An agency-wide audit in accordance with just the *Provider Agency Audit Guide*

Example Agency Schedule of Findings and Questioned Costs For the Year Ended June 30 19X1

A. Summary of Auditor's Results

Financial Statements

- | | |
|---|--------------------------|
| 1. Type of auditors' report issued? | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(s) identified? | No |
| b. Reportable condition(s) identified not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to the financial statements noted? | No |
| B. Financial Statement Findings | No matters were reported |

C. Other issues

- | | |
|--|-------|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned costs, material weakness, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the <i>Provider Agency Audit Guide</i> : | |
| Department of Health and Family Services | Yes |
| Department of Workforce Development | N/A |
| Department of Corrections | N/A |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? (yes/no) | No |
| 4. Name and signature of partner | _____ |
| 5. Date of report | _____ |

Illustration 7.9 Schedule of Findings and Questioned Costs, Continued

Example B – An agency-wide audit in accordance with both the *Provider Agency Audit Guide* and OMB Circular A-133

Example Agency Schedule of Findings and Questioned Costs For the Year Ended June 30 19X1

A. Summary of Auditor's Results

Financial Statements

- | | |
|---|---------------|
| 1. Type of auditors' report issued? | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(s) identified? | No |
| b. Reportable condition(s) identified not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | | |
|--|--------------------------|-----------|
| 4. Internal control over major programs: | | |
| a. Material weakness(s) identified? | No | |
| b. Reportable condition(s) identified not considered to be material weaknesses? | None reported | |
| 5. Type of auditor's report issued on compliance for major programs? | Unqualified | |
| 6. Any audit findings discloses that are required to be reported in accordance with Circular A-133, Section .510(a)? | No | |
| 7. Identification of major programs: | CFDA No. | Amount |
| Special Supplemental Food Program for Women, Infants, and Children | 10.557 | \$350,000 |
| 8. Dollar threshold used to distinguish between Type A and Type B programs? | \$300,000 | |
| 9. Auditee qualified as low-risk auditee? | No | |
| B. Financial Statement Findings | No matters were reported | |
| C. Federal and State Award Findings and Questioned Costs | No matters were reported | |

D. Other Issues

- | | |
|--|-----|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned costs, material weakness, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the <i>Provider Agency Audit Guide</i> : | |
| Department of Health and Family Services | Yes |
| Department of Workforce Development | N/A |
| Department of Corrections | N/A |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? (yes/no) | No |
| 4. Name and signature of partner | |
| 5. Date of report | |

MASTER CHART OF ACCOUNTS

RELATED TO STATEMENT OF EXPENSES

RELATED TO STATEMENT OF INCOME

MILWAUKEE COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES
PURCHASE OF CARE & SERVICES - MASTER CHART OF ACCOUNTS

ACCOUNTS RELATED TO THE STATEMENT OF EXPENSES

7000* SALARIES

7001* Executive Salaries
 7002* Professional Salaries
 7003* Clerical Staff Salaries
 7004* Technical Salaries
 7005* Maintenance Employees' Wages
 Supplies
 7006* Temporary Clerical Help
 7007* Student Stipends
 7008* Other Staff Salaries (Unclassified)

**7100* EMPLOYEE HEALTH &
RETIREMENT BENEFITS**

7101* Accident Insurance Premiums
 7102* Life Insurance Premiums
 7103* Medical & Hospital Plan Premiums
 7104* Pension or Retirement Plan Premiums
 7105* Supp. Payments to Pensioned Emp.
 7106* Payments to Annuitants
 7107* Employment Termination Expenses
 7108* Emp. Tuition Reimbursement Plan

7200* PAYROLL TAXES, ETC.

7201* FICA Payments(Employer's Share)
 7202* Unemployment Insurance
 7203* Workmen's Compensation Insurance
 7204* Disability Insurance Premiums

8000* PROFESSIONAL FEES

8001* Medical & Dental Fees
 8002* Psychological Fees
 8003* Legal Fees
 8004* Rehabilitation & Education Fees
 8005* Development & Public Relations Fees
 8006* Brokerage, Commission, Collection Fees
 8007* Employment Fees
 8008* Audit Fees
 8009* Electronic Data Processing Service Fees
 8010* Other Contract Payments to Consult
 8011* Talent Fees
 8012* Other Purchase Services

8100 SUPPLIES

8101 Medicine & Drugs (Clinic Use Only)
 8102 Prosthetic Appliances (Clinic Use Only)
 8103 Recreational, Voc. & Craft Supplies
 8104 Food & Beverages
 8105 Laundry, Linen & Housekeeping
 8106 Office Supplies-Stationery, Typing
 8107 Paper, Ink, Printing, Duplicating
 8108 New Goods Purchased
 8109 Raw Materials (Manufacturing
 Purchases)
 8110 Manufacturing Supplies

8200 TELEPHONE

8201 Telephone Expense
 8202 Telegraph Expense

8300 POSTAGE & SHIPPING

8301 Postage & Parcel Post
 8302 Freight
 8303 Messenger & Delivery Service

8400 OCCUPANCY

8401 Office Rent
 8402 Other Bldg. & Parking Lot Rent
 8403 Bldg. & Bldg. Eq. Ins. (Gen. & Liability)
 8404 Mortgage Interest
 8405 Electricity
 8406 Gas
 8407 Heating Oil
 8408 Water & Sewer
 8409 Janitorial/Maintenance/Repairs Purch.
 8410 Real Estate Taxes
 8411* Personal Property Taxes
 8412 Licenses & Permits- Occupancy Related
 8413 Bldg.& Grounds Maintenance Supplies
 8414 Miscellaneous Occupancy Costs
 8415 Amortization/Leasehold Improvements
 8416 Depreciation-Buildings

***SCHEDULE REQUIRED ON APPROPRIATE FORMS OR BUDGET NARRATIVE**

ACCOUNTS RELATED TO THE STATEMENT OF EXPENSES (continued)

**8500 RENTAL MAINTENANCE &
DEPRECIATION OF EQUIPMENT**

8501 Equipment Rental Expenses
8502 Equipment Maintenance Expenses
8503 Equipment- Depreciation
8504 Equipment -Interest Expense

8600 PRINTING & PUBLICATIONS

8601 Printing
8602 Artwork
8603 Photography
8604 Recording
8605 Films
8606 Subscriptions - Periodicals
/Publications
8607 Purchase of Publications
8608 Media Use Charges- Public Information

8700 EMPLOYEE TRAVEL

8701 Local Bus & Taxicab Fares
8702 Gas & Oil - Company Vehicles
8703 Repairs - Company Vehicles
8704 Insurance - Company Vehicles
Org.
8705 Licenses & Permits - Company Vehicles
8706 Leasing Costs - Company Vehicles
8707 Auto Allowance (Employees/
Volunteers)
8708 Tires - Company Vehicles
8709* Hotel, Meals & Incidental Expenses
8710 Depreciation - Automotive Equipment

**8800 CONFERENCES, CONVENTIONS
MEETINGS - ON SITE**

8801 Meeting Space & Equipment Rental
8802 Meeting Supplies (Notices, Badges
etc.)
8803 Food & Beverage Costs (Meeting
Participation)
8804 Speakers' Honoraria & Expenses
8805 Registration Fees

**8900 SPECIFIC ASSISTANCE TO
INDIVIDUALS**

8901 Medical Fees
8902 Dental Fees
8903 Medicines
8904 Children's Board
8905 Homemaker Service
8906 Food Service
8907 Shelter Service

**8900 SPECIFIC ASSISTANCE TO
INDIVIDUALS (continued)**

8908 Clothing Service
8910 Recreation Service
8911 Wage Supplements
8912 Prosthetic Appliances
8913 Hospital Fees
8914 Testing Fees
8915 Materials - Crafts, Vocation, etc.

9000 MEMBERSHIP DUES

9001 Individual Dues
9002 Organizational Dues

9100 AWARDS & GRANTS

9101 Grants to Research Institutions
9102 Graduate Fellowships
9103 Trainee Scholarships
9104 Other Scholarships/Tuition Payments
9105 Allowance for Travel Under Grant
9106 Allowance for Equipment Under Grant
9107 Lump Sum Camperships
9108 Contribution / Grants to Human Serv.
9109-50 Awards & Grants to Indiv. /Other Org.
9151-99 Awards & Grants to Affiliate Org.

9200 ALLOCATED COSTS

9201* Administrative Costs (Indirect Costs)
9202 Transportation

9300 CLIENT TRANSPORTATION

9301 Local Bus & Taxicab Fares
9302 Gas & Oil - Company Vehicles
9303 Repairs - Company Vehicles
9304 Insurance - Company Vehicles
9305 Licenses & Permits - Company Vehicles
9306 Leasing Costs - Company Vehicles
9307 Tires - Company Vehicles
9308 Depreciation - Auto Equipment

9400 MISCELLANEOUS

9401 Employee Malpractice Insurance
9402 Employee Bonding Insurance
9403 Other

9500 DEPRECIATION OR AMORTIZATION

9501-04 Depreciation or Amortization

9600 ALLOCATIONS TO AGENCIES

9601-90 Allocations to Agencies
9691-99 Payments to Affiliated Organizations

Milwaukee County Department of Health and Human Services
Purchase of Care & Services
Master Chart of Accounts

ACCOUNTS RELATED TO THE STATEMENT OF EXPENSES

7000 - 7099 SALARIES

This expense account group is reserved for salaries and wages earned by an agency's regular employees (full or part-time), and by temporary employees, including "Office Temporaries," other than consultants and others engaged on an individual contract basis. Salaries are compensation paid periodically for managerial, administrative, professional, clerical and other supportive services. Wages are compensation paid periodically on a piecework, hourly, daily or weekly basis for manual labor, skilled or unskilled, or a fixed sum for a certain amount of such labor. Specific Salary and Wage Categories (7001-7099) are made available for the insertion of those major salary and wage categories peculiar to an agency. An agency having large segments of its employees identified with a specific or multiple disability group may wish to separate the salary and wage categories further into two sub-groups; e.g., disabled and non-disabled.

7001 - EXECUTIVE SALARIES

This account is for salaries earned by executives of an agency. Most executives are professionals of one kind or another. The assignment should be according to what the person does rather than his or her profession. For example, if an executive staff member of an agency is a lawyer, his or her salary would be classified under "Executive Salaries" despite the fact that the individual is a lawyer by profession.

7002 - PROFESSIONAL STAFF SALARIES

This account is for salaries earned by full or part-time professional members of an agency's staff; e.g., campaign director, registered nurse, music instructor, social worker.

7003 - CLERICAL STAFF SALARIES

This account is for salaries earned by full or part-time members of an agency's clerical staff; e.g., bookkeeper, secretary, telephone operator.

7004 - TEMPORARY TECHNICAL HELP

This account is for salaries earned by full or part-time members of an agency's technical staff; e.g., artist, audiologist, cameraman.

7005 - MAINTENANCE EMPLOYEES' WAGES

This account is for wages earned by full or part-time members of an agency's maintenance staff; e.g., handyman, custodian, painter.

7006 - TEMPORARY CLERICAL STAFF

This account is for wages and includes all classifications mentioned above in Clerical Staff Salaries, but only those who are employed on a temporary basis.

7007 - STUDENT STIPENDS

This account is for all payments in lieu of salary to students in training in the agency or staff or staff members on leave to pursue their studies. Tuition aid should not be reported here, but in Account 9100.

7008 - OTHER STAFF SALARIES (Unclassified)

This account is for salaries and wages earned by all other full or part-time staff members of an agency; e.g., aide, camp counselor, cook, elevator operator, rangers, waiter, watchman.

7100 -7199 EMPLOYEE HEALTH & RETIREMENT BENEFITS

This expense account group is reserved for amounts paid and accrued by an agency under its own or other (private) employee health and retirement benefit plans, including voluntary employee termination or retirement payments outside a formal plan.

7101 - ACCIDENT INSURANCE PREMIUMS

This account is for the agency's portion of the cost of premiums for accident insurance policies, or the agency's contribution required under a private funding plan.

7102 - LIFE INSURANCE PREMIUMS

This account is for the agency's portion of the cost of premiums for life insurance policies, or the agency's contribution required under a private funding plan.

7103 - MEDICAL & HOSPITAL PLAN PREMIUMS

This account is for the agency's portion of the cost of premiums for medical and hospital plan insurance policies, or the agency's contribution required under a private funding plan.

7104 - PENSION OR RETIREMENT PLAN PREMIUMS

This account is for the agency's portion of the cost of premiums for pension and retirement annuity insurance policies, or the agency's contribution required under a private funding plan.

7105 - SUPPLEMENTAL PAYMENTS TO PENSIONED EMPLOYEES

This account is for the amounts to pensioned employees as total or supplemental pension payments, paid after the employee has retired. No amounts should be included in this account for part-time or occasional services rendered by a retired employee.

7106 - PAYMENTS TO ANNUITANTS

This account is for the cost of periodic payments (specified period, contingent or in perpetuity) made to any annuitant under an annuity agreement or contract.

NOTE: An annuity is:

- A series of equal payments, at fixed intervals;
- The donor's right to receive such payments;
- The donee's obligation to pay such payments.

An annuity agreement is an agreement wherein money or other property is made available to another on condition that the recipient bind himself or herself to hold and administer the property and to pay the donor or other designated person a stipulated annuity ceasing with a specified date, event, or in perpetuity.

7107 - EMPLOYMENT TERMINATION EXPENSES

This account is for amounts paid to employees who have been terminated or retired voluntarily. Only payments outside a formal plan are reported here.

7108 - EMPLOYEE TUITION REIMBURSEMENT PLAN

This account is for amounts paid employees for tuition reimbursement for outside schooling taken; as provided for by the agency's personnel policies.

7200 -7299 PAYROLL TAXES, ETC.

This expense account group is reserved for social security taxes, and compensation insurance premiums, payable by employers under Federal, State or local laws.

7200 - PAYROLL TAXES, ETC. (Total)

This account accumulates all Payroll Taxes expenses embraced by the 7200-7299 series.

7201 - F.I.C.A. PAYMENTS (Employer's Share)
This account is for the agency's cost of F.I.C.A. tax.

7202 - UNEMPLOYMENT INSURANCE

This account is for the agency's cost of Federal or State unemployment insurance premiums, based on eligible employees' salaries and wages.

7203 - WORKMEN'S COMPENSATION INSURANCE

This account is for the agency's cost of Workmen's Compensation insurance premiums, based on eligible employee's salaries and wages. These premiums may be either State or private insurance plans, or the agency's contribution under a private funding plan.

7204 - DISABILITY INSURANCE PREMIUMS

This account is for the agency's cost of disability insurance premiums, based on eligible employees' salaries and wages. These premiums may be either State or private insurance plans, or the agency's contribution under a private funding plan.

8000 - 8099 PROFESSIONAL FEES

This expense account group is reserved for fees and charges of professional practitioners, technical consultants, or semi-professional technicians, who are not employees of the agency and are engaged as independent contractors for specified services on a fee or other individual contract basis. However, amounts paid to mechanics, artisans, repairmen, and others engaged in maintenance and repair services to an agency should not be included in this account, but in Account 8409. Fees paid for a client for direct personal services, other than those offered as part of the regular program services of an agency, should not be included in this group of accounts. Such fees should be included in the appropriate account within the category, Specific Assistance to Individuals - 8900.

8001 - MEDICAL & DENTAL FEES

This account is for fees to medical and/or dental specialists for consultation with, or instruction of, agency personnel, on special cases among its clients; e.g., physical medicine, orthopedics, pediatrics, internal medicine, neurology, operative dentist, orthodontist, radio dentist, etc. (Note: This account should be distinguished from Accounts 8901 and 8902. Fees charged to 8001 are for assistance to the agency itself, whereas fees charged to 8901 and 8902 are payments on behalf of a particular client or patient of an agency as a form of "Specific Assistance to Individuals").

8002 - PSYCHOLOGICAL FEES

This account is for fees to psychiatric specialists for consultation with, or instruction of, agency personnel, on specific cases among its clients; e.g., psychiatrist, psychopathologist, psychotherapist, psychoanalyst, etc.

8003 - LEGAL FEES

This account is intended for fees to attorneys for consultation with, or instruction of, agency personnel on specific cases among its clients. Also, fees for services rendered to the agency for interpretation and defense of its own legal rights and corporate entity.

8004 - REHABILITATION AND EDUCATION FEES

This account is for fees to professional or licensed specialists in the various disciplines comprising the field for rehabilitation and education for consultation with, or instruction of, agency personnel on specific cases among its clients; e.g., physical therapy, speech therapy, vocational counseling and training, basic education, tutorial programs, special education, tuition, etc.

8005 - DEVELOPMENT AND PUBLIC RELATIONS FEES

This account is for fees to specialists in the development of an agency's financial resources and the interpretation and/or promotion of an agency's program services to its public; e.g., fund raising, bequests, campaigns, community relations, etc. (Note: The cost of purchase of space or time in the communication media should not be charged to this account, but to Account 8608).

8006 - BROKERAGE, COMMISSION AND COLLECTION FEES

This account is for fees to specialists rendering services to an agency in the areas of investment, real estate, or the collection of an agency's accounts; e.g., stockbroker, real estate agents, collection agencies.

8007 - EMPLOYMENT FEES

This account is for fees and commissions paid to employment agencies to recruit employees.

8008 - AUDIT FEES

This account is for fees to certified public accountants and other independent public accountants for auditing the agency's books and for other consultation with, or instruction of, agency personnel on specific matters relating to agency accounting and financial reporting procedures. Included are fees for services rendered to the agency for the periodic audit, supervision, or maintenance of the agency's financial records.

8009 - ELECTRONIC DATA PROCESSING SERVICE FEES

This account is for fees to banks and service bureaus for processing records and transactions of an agency; e.g., charges for payroll processing, general ledger processing, etc.

8010 - OTHER CONTRACT PAYMENTS TO INDEPENDENT PROFESSIONAL CONSULTANTS

This account is for fees to other independent professional consultants under contract, such as architects and engineers.

8011 - TALENT FEES

This account is for the cost of fees, expenses or honoraria to professional entertainers for their services, such as the preparation of radio and TV spots, films, live entertainments, etc.; e.g., actors, singers, comedians and other professional entertainers. (Note: The cost of purchase of space or time in communication media should not be charged to this account, but to Account 8608).

8012 - OTHER PURCHASED SERVICES

This account is for the cost of other services purchased by the agency on a fee-for-service basis.

- Funerals and funeral directors
- Chaplain fees
- Payments for musicians
- Security Services Fees - only when purchased for a specific period. (The security guard on agency regular staff should be charged on 7008).

8100-8199 SUPPLIES

This expense account group is reserved for the cost of materials, appliances, and other supplies used by an agency.

8101 - MEDICINE AND DRUGS (Clinic Use Only)

This account is for the cost of medicines and drugs purchased generally for the use of employees or clients of the agency; e.g., prescription drugs, etc. (Note the distinction between this account and Account 8903. Medicine and drugs purchased for a particular client belong in Account 8903).

8102 - PROSTHETIC APPLIANCES (Clinic Use Only)

This account is for the cost of prosthetic appliances, and devices purchased for use in client training and instruction in clinic functions. It should be noted that the costs of prosthetic appliances or devices, purchased for specific clients, should not be included in this account, but in Account 8912 (Prosthetic Appliances - Specific Assistance to Individuals) also.

8103 - RECREATIONAL, VOCATIONAL, AND CRAFT SUPPLIES

This account is for the cost of materials and supplies purchased for recreational programs, vocational training and instruction in crafts for clients and employees of the agency; e.g., ping pong balls, sheet music, craft supplies.

8104 - FOOD AND BEVERAGES

This account is for the cost of food and beverages purchased for use in the food service function of the agency. Note the distinction between this account and Account 8906).

8105 - LAUNDRY, LINEN, AND HOUSEKEEPING SUPPLIES

This account is for the cost of linen, uniforms, or other hygienic supplies and the costs of their cleaning and maintenance (not to be confused with building and grounds maintenance).

8106 - OFFICE SUPPLIES - STATIONERY, TYPING, ACCOUNTING, ETC.

This account is for the cost of various paper and other supplies used in the performance of the program or supporting services.

8107 - PAPER, INK, FILM, AND OTHER PRINTING AND DUPLICATING MATERIALS

This account is for the cost of materials and supplies used in the publication, printing, or duplicating activities of an agency; e.g., ink, paper, toner, etc.

8108 - NEW GOODS PURCHASED

This account is for the cost of new merchandise in a completed condition, acquired for resale to the public in the furtherance of the agency's program services.

8109 - RAW MATERIALS PURCHASED (Manufacturing)

This account is for the cost of materials or goods purchased for use as an ingredient or component part of a finished product. These materials may be in their natural state and require further processing, before becoming a part of the finished product or a finished part which may be directly incorporated into the finished product; e.g., cloth, machine parts, lumber, electrical motors, etc.

8200 - 8299 TELEPHONE

This expense account group is reserved for the cost of all telephone, telegraph, mailgram, teleprocessing, and similar communication expenses. It is suggested that the cost of:

- Long distance calls be allocated to the initiating program or support function
- Tolls and fees (other than actual wages) paid for telephone solicitation for donations of monies and materials be allocated to the affected program or support function
- The basic monthly charge for telephone services; e.g., rental of manual or automatic switchboards or extensions, be prorated to each program and support function on some equitable basis such as the number of extensions utilized by each such function.

8201 - TELEPHONE EXPENSE

This account is for the cost of all telephone and other telephonic communications activities.

8202 - TELEGRAPH EXPENSE

This account is for the cost of all telegraph, mailgram, and other telegraphic communications activities.

8300 - 8399 POSTAGE AND SHIPPING

This expense account group is reserved for the cost of postage, parcel post, commercial trucking, and other delivery expenses such as shipping and shipping materials, incurred in the operation of the agency.

8301 - POSTAGE AND PARCEL POST

This account is for the cost of postage and parcel post used in the general administration of a program or supporting function of any agency. It is suggested that these costs be charged, if bulk purchase of postage is made, initially to a Prepaid Expense Account. The individual responsible for postage should maintain a daily log of the postage used for each program or supporting function of an agency. At the end of each accounting period, as part of the process of closing the account records, the total postage charged to the Prepaid Expense Account. The individual responsible for postage should maintain a daily log of the postage used for each program or supporting the function of an agency. At the end of each accounting period, as part of the process of closing the account records, the total postage charged to the Prepaid Expense Account should be distributed to the actual benefited program or supporting functions, as indicated by the postage log records.

8302 - FREIGHT

This account is for the cost of transportation charges incurred in the delivery of purchased materials and supplies used by the agency.

8303 - MESSENGER AND DELIVERY SERVICE

This account is for transportation charges incurred in the delivery of merchandise, service or product to a customer or others, using a messenger or outside delivery service.

8400 - 8499 OCCUPANCY

This expense account group is reserved for all costs arising from an agency's occupancy and use of owned or leased land, buildings, and offices. This would exclude costs reportable elsewhere; e.g., salaries, acquisition of equipment and other assets, etc. It is suggested that any occupancy expense -- Accounts 8401-8499 -- that can be identified with a single program or support function of an agency, should be charged directly to that function at the time the obligation is incurred. Occupancy expenses which benefit more than one program or support function should be prorated on some equitable basis such as square footage of space utilized in conducting each one of the functions.

8401 - OFFICE RENT

This account is for the rental of office space used by an agency in conducting its program and support functions.

8402 - OTHER BUILDING AND PARKING LOT RENT

This account is for the cost of compensation for the use of the building and parking lot (other than office).

8403 - BUILDING & BUILDING EQUIPMENT INSURANCE (General & Liability)

This account is for the cost of premiums of insurance contracts to reimburse the agency for revenue or property loss. Examples of insurance coverage include: fire; theft; boilers; and elevator. Premiums covering equipment should be prorated on the basis of hours of usage of equipment by the benefiting function.

8404 - MORTGAGE INTEREST

This account is for the cost of interest paid for the use of money, through a lien on land, building.

8405 - ELECTRICITY

This account is for the cost of electric power used in the operation (occupancy related) of the agency and its services.

8406 - GAS

This account is for the cost of gas used in the operation (occupancy related) of the agency and its services.

8407 - HEATING OIL

This account is for the cost of heating oil used in the operation (occupancy related) of the agency.

8408 - WATER AND SEWER

This account is for the cost of water and sewer charges (occupancy related) arising from the operations of the agency.

8409 - JANITORIAL & OTHER MAINTENANCE/REPAIRS PURCHASED

This account is for the cost of maintenance services provided by independent contractors; e.g., plumbers, electricians, roofers, masons, typewriter repairmen, appliance repairmen, etc. (Note that salaries of janitors and maintenance staff would not be reported her, but in Account 7005).

8410 - REAL ESTATE TAXES

This account is for the cost of real estate taxes assessed against an agency for real estate used in the operation of the agency or real estate held by an agency for investment or rental income. Included in this account are assessments for street cleaning, snow removal or sidewalk plowing.

8411 - PERSONAL PROPERTY TAXES

This account is for the cost of personal property taxes assessed against eligible assets of an agency.

8412 - LICENSES & PERMITS (Occupancy Related Only)

This account is for the cost of any license or permit (other than automotive) that is related to the occupancy of the premises and is required by some regulatory body, of the corporation itself, or of staff or other agents of the organization, to engage in the lawful activities of the agency.

8413 - BUILDING & GROUNDS MAINTENANCE SUPPLIES

This account is for the cost of building and grounds maintenance supplies used by the agency in its day-to-day operation of such facilities for its program and support functions.

8414 - MISCELLANEOUS OCCUPANCY COSTS

This account is for the cost of any other miscellaneous building occupancy expense - not significant in amount - that cannot be reported and classified under the account classifications 8401, 8413, 8415, and 8416. An example, would be that of the cost of moving the agency from one location to another.

8415 - AMORTIZATION - LEASEHOLD IMPROVEMENT

This account is for the cost of amortization expenses for improvements made to leaseholds used in the operation of the agency during the accounting/budget period.

8416 - DEPRECIATION OF BUILDING

Based on a State guideline rate of 3% for buildings and structures excluding land. Exceptions to these guidelines must be justified and documented by the agency.

8500 - 8599 RENTAL, MAINTENANCE AND DEPRECIATION OF EQUIPMENT

This expense account group is reserved for the costs to the agency of rental, maintenance and depreciation of various equipment, such as electronic data processing units, typewriters, calculators, dictaphones, etc., used by the agency in conducting its program and/or support functions.

8501 - EQUIPMENT RENTAL EXPENSE

This account is for all costs to the agency arising from the rental of equipment used by the agency in conducting its program and/or support functions.

8502 - EQUIPMENT MAINTENANCE EXPENSE

This account is for all costs to the agency arising from maintenance of equipment used by the agency in conducting its program and/or support functions.

8503 - EQUIPMENT DEPRECIATION

Based on a State guideline rate of 10% for furniture, fixtures, and equipment. Exceptions to the guidelines must be justified and documented by the agency.

8504 - EQUIPMENT INTEREST EXPENSE

Interest incurred for all major equipment and purchases which require funding.

8600 - 8699 PRINTING AND PUBLICATIONS

This expense account group is reserved for the costs of printing, charges of commercial artists and suppliers for plates, artwork, proofs, photographs, and other costs of house organs, leaflets, films, and other informational materials. Also included in this classification are costs of purchases, publications, technical journals, books, pamphlets and monographs.

8601 - PRINTING

This account is for the cost of contract printing.

8602 - ARTWORK

This account is for the cost of contract artwork.

8603 - PHOTOGRAPHY

This account is for the cost of contract photography.

8604 - RECORDING

This account is for the cost of charges made by recording studios for the preparation of an agency's materials.

8605 - FILMS

This account is for the cost of charges made by film studios for the preparation of an agency's materials.

8606 - SUBSCRIPTIONS TO PERIODICALS & OTHER PUBLICATIONS

This account is for the cost of subscriptions and reference and resource publications purchased by the reporting agency for use of its staff, or for loan use by others (e.g., through inter-library loans), but not for distribution.

8607 - PURCHASE OF PUBLICATIONS

This account is for the cost of purchase of various publications essential to the agency and its staff in conducting its program and/or support functions. (Note: The distinction between Accounts 8606 and 8607 is that the former accumulates costs of all subscriptions and the latter is concerned with one-time, outright purchase).

8608 - MEDIA USE CHARGES - PUBLIC INFORMATION

This account is for the cost of advertising in newspapers and magazines, on radio, on television or other public media. (Note: it is understood that, as a rule, not-for-profit human service organizations are not expected to spend their funds on advertising in the same sense as a commercial organization would. In most instances, advertising of agencies' services to the community is donated. However, from time to time the agency incurs some costs, incidental or otherwise, in informing the public what services it offers, and what benefits the services bring to the community. This account, therefore, accumulates all such costs.

8700 - 8799 EMPLOYEE TRAVEL

This expense account group is reserved for expenses of travel and transportation of staff and volunteers of the reporting agency.

8701 - LOCAL BUS & TAXICAB FARES

This account is for the cost of fares charged by licensed public transportation companies, including taxis.

8702 - GAS & OIL - COMPANY VEHICLES

This account is for the cost of gasoline, oil, and other consumable products used in an agency's owned or leased vehicles in the operation of an agency.

8703 - REPAIRS - COMPANY VEHICLES

This account is for the cost of premiums of comprehensive insurance contracts, providing coverage for all phases of automotive insurance, for agency-owned or leased vehicles, used in the operation of the agency.

8704 - INSURANCE - COMPANY VEHICLES

This account is for the premiums of comprehensive insurance contracts, providing coverage for agency-owned or leased vehicles used in the operation of the agency.

8705 - LICENSES AND PERMITS - COMPANY VEHICLES

This account is for the cost of all licenses, or permits, local, state, or federal, required for the operation of agency vehicles used in the operation of the agency.

8706 - LEASING COSTS - COMPANY VEHICLES

This account is for the cost of hourly, daily, weekly, monthly, or annual lease fees for vehicles used in the operation of the agency.

8707 - AUTO ALLOWANCES - EMPLOYEES & VOLUNTEERS ON BUSINESS

This account is for the cost of reimbursements for mileage allowances within DHS guidelines, for actual expenditures, parking fees, and other related expenses to employees and volunteers for the use of their private vehicles in the operation of the agency. This account should be delineated by employee salary classification (Account #7000).

8708 - TIRES - COMPANY VEHICLES

This account is for the cost of tires purchased for use on agency-owned or leased vehicles in the operation of the agency.

8709 - HOTELS, MEALS & INCIDENTAL EXPENSES

This account is for the cost of hotels, meals and other expense incidental to, and directly connected with, the travel and transportation of agency staff volunteers.

8710 - DEPRECIATION - AUTOMOTIVE EQUIPMENT

Based on State guidelines rate of 20% for motor vehicles. Exceptions to the guidelines must be justified and documented by the agency.

8800 - 8899 CONFERENCES, CONVENTIONS, MEETINGS - ON-SITE

This expense account group is reserved for expenses of conducting meetings related to an agency's activities.

8801 - MEETING SPACE & EQUIPMENT RENTAL

This account is for the cost of rents or fees charged for the use of meeting rooms or equipment; e.g., tables, chairs, projectors, screens, etc., used for the purpose of meetings, seminars, workshops, conferences, or conventions, solely conducted by an agency or its share of inter-agency support.

8802 - MEETING SUPPLIES - NOTICES, BADGES & RELATED PRINTING COSTS

This account is for the cost of meeting supplies and other related costs; e.g., programs, notices, badges, prizes, etc., used for the purpose of meetings, seminars, workshops, conferences or conventions, solely conducted by the agency or its share of inter-agency support.

8803 - FOOD & BEVERAGE COSTS FOR MEETING PARTICIPANTS

This account is for the cost of food and beverages provided as an integral part of a meeting, seminar, workshop, conference or convention, sponsored solely by the agency itself or its share of inter-agency support.

8804 - SPEAKERS' HONORARIA AND EXPENSES

This account is for the cost of amounts paid to speakers, lecturers, commentators, being honoraria and expenses for participation in meetings, seminars, workshops, conferences or conventions sponsored by the agency itself or its share of inter-agency support.

8805 - REGISTRATION FEES

This account is for the cost of registration or enrollment fees, incurred by an employee or volunteer of an agency while attending a meeting, seminar, workshop, conference or convention.

8900 - 8999 SPECIFIC ASSISTANCE TO INDIVIDUALS

This expense account group is reserved for the cost to the reporting agency of specific materials, appliances, services and any other assistance rendered by individuals or agencies other than agency staff, purchased at the expense of the agency, for a particular client or patient.

8901 - MEDICAL FEES

This account is for the cost of medical fees and other related payments on behalf of a particular client or patient of the agency. Professional services fees paid by the agency on a retainer fee or contract service basis are reported under Account #8000; e.g., fees paid to physicians payments to nursing homes. (Health insurance for agency staff should be shown in Account #7100).

8902 - DENTAL FEES

This account is for the cost of dental fees and other related payments on behalf of a particular client or patient of the agency.

8903 - MEDICINES

This account is for the cost of non-prescription or prescription medicines or drugs, purchased in whole or in part, for a particular client or patient.

8904 - CHILDREN'S BOARD

This account is for the cost of children's board incurred by the agency in whole or in part, for a particular client or patient.

8905 - HOMEMAKER SERVICE

This account is for the cost of homemakers' fees paid to families, in whole or in part, for the maintenance, care and supervision of a particular client or patient.

8906 - FOOD SERVICE

This account is for the cost of food allowances or actual purchases, in whole or in part, for a particular client or patient for his individual needs.

8907 - SHELTER SERVICE

This account is for the cost shelter, lodging or dwelling space, purchased in whole or in part, for a particular client or patient for his individual needs.

8908 - CLOTHING SERVICE

This account is for the cost of all items of apparel, purchased in whole or in part, for a particular client or patient for his individual case.

8909 - SEE ACCOUNT 9300

8910 - RECREATION SERVICE

This account is for the cost of recreational and cultural activities, purchased in whole or in part, either on an individual or group basis, for the benefit of a particular client, patient or employee of the agency; e.g., individual camperships.

8911 - WAGE SUPPLEMENTS

This account is for the cost of any monies paid to an individual client or patient, which is not for services performed or related to paid work activities.

8912 - PROSTHETIC APPLIANCES

This account is for the cost of purchase, fitting, and repair and maintenance of prosthetic appliances, purchased in whole or in part, for a particular client or patient for his or her individual use.

8913 - HOSPITAL FEES

This account is for the cost of hospital charges for services; e.g., room, treatment, x-ray, food and other services, purchased in whole or in part, for a particular client or patient for his individual needs.

8914 - TESTING FEES

This account is for the cost of tests, testing technicians, testing fees, test analysis, purchased in whole or in part, for a particular client or patient for his individual needs.

8915 - MATERIALS - CRAFTS, VOCATION, ETC.

This account is for the cost of materials; e.g., furniture, tools, craft supplies, production materials, etc., purchased in whole or in part, for a particular client or patient for his or her individual use.

9000 - 9099 MEMBERSHIP DUES

This expense account group is reserved for the cost of expenses for bona fide memberships in other organizations which provided, in turn, benefits such as regular services, publications, materials, etc.

Note: This category covers payments of the type that are to be reported as "other revenue" by receiving health and welfare organization - for example, certain organizations include such amounts received in assessments and dues - local members units. Payments that do not procure, for the paying agency, general membership benefits, should be reported in Awards and Grants and Payments to Affiliated

Organizations, as appropriate. For example, dues paid by the local organization to the national organization are not reportable here but under Payments to Affiliated Organizations.

9001 - INDIVIDUAL DUES

This account is for the cost of dues for individual memberships of staff members in other organizations relevant to the functions of the agency.

9002 - ORGANIZATION DUES

This account is for the cost of bona fide memberships acquired by the agency in other organizations having legitimate interest and activities in the promotion, provision, or planning of human service programs. (Dues/support payments to national "parent" or equivalent organizations should not be charged to this account, but to Account 9691).

9100 - 9199 AWARDS AND GRANTS

This expense account is reserved for the cost of amounts paid or committed to individuals or organizations for support of research, fellowship, scholarship, and other human service programs. Dues, quota payments and other formula-based or prescribed payments by a local agency in support of a national affiliate should not be charged to this account. This expense classification is broken down into two sub-classifications:

9101-9150 Awards & Grants to Individuals & Other Organizations

9151-9199 Awards & Grants to Affiliated Organizations

9101 - GRANTS TO RESEARCH INSTITUTIONS

This account is for the cost of research grants made to institutions unrelated to the granting agency.

9102 - GRADUATE FELLOWSHIPS

This account is for the cost, in whole or in part, of grants made to a college or university foundation, the income from which is bestowed on a student or students to aid them in graduate studies.

9103 - TRAINEE SCHOLARSHIPS

This account is for the cost of Trainee Scholarships awarded to deserving individuals enrolled in some career-related training program as an aid to subsidizing the training expenses of such individuals.

9104 - OTHER SCHOLARSHIPS AND TUITION PAYMENTS

This account is for the cost of other scholarships and tuitions awarded to deserving undergraduate students enrolled in some educational program as an aid to subsidizing the education expense of such individuals.

9105 - ALLOWANCE FOR TRAVEL UNDER GRANT

This account is for the cost, in whole or in part, of allowances made to sponsored graduate or undergraduate students for travel; e.g., transportation, housing, food, etc., to further their studies or research.

9106 - ALLOWANCE FOR EQUIPMENT UNDER GRANT

This account is for the cost, in whole or in part, of allowances made to sponsored graduate or undergraduate students, for the purchase of equipment necessary to further their studies or research.

9107 - LUMP SUM CAMPERSHIPS

This account is for the cost of grants made to organizations to cover multiple camp fees to be used at the discretion of the organization (camp fees paid for a particular individual are reported under Account #8900).

9108 - CONTRIBUTIONS OR GRANTS TO OTHER HUMAN SERVICES ORGANIZATIONS

This account is for the cost of contributions or grants to other human service organizations.

9151 - 9199 - AWARDS & GRANTS TO AFFILIATED ORGANIZATIONS

This expense account group is reserved for the cost of awards and grants made by the reporting agency to closely-related or affiliated organizations. These are usually one-time awards or grants made for some specific purpose or project of the affiliate to which the award or grant is made and are over and above the dues, quota payments or other formula-based prescribed payments.

9200 - 9299 ALLOCATED COSTS (Permissive - Not Mandatory)

This expense account group includes all agency costs that cannot be assigned directly to client service programs but are agency costs that are assigned to administrative and support services and then are distributed to the client service programs through an allocation formula.

9201 - ADMINISTRATIVE COSTS

Those costs associated directly with administration of the agency and are of benefit to more than one client service program. There are two sets of guidelines for determining administrative costs:

1. Non-Profit Institutions - An administrative cost is one which because of its incurrence for common or joint objectives, is not readily subject to treatment as a direct cost. Minor direct cost items may be considered to be administrative costs for reasons of practicality. After direct costs have been determined and charged directly to the contract or other work as appropriate, administrative costs are those remaining to be allocated to the several classes of work. The overall objective of the allocation process is to distribute the administrative costs of the institution to its various major activities or cost objectives in reasonable proportions to the benefits provided to those activities or cost objectives.

Because of the diverse natures and purposes of organizations falling within the definition of a non-profit organization, it is impractical to specifically identify those functions which constitute major activities for purposes of identifying and distributing administrative costs. Such identification will be dependent upon an institution's purpose-in-being, the services it renders to the public, its clients and/or members, the amount of effort devoted to fund raising activities, public relations, and membership activities, etc.

2. Hospitals - General. Administrative costs are those that have been incurred for common or joint objectives, and thus are not readily subject to treatment as direct costs of research agreement or other ultimate or revenue producing cost centers. In hospitals such costs normally are classified but not necessarily restricted to the following functional categories: Depreciation; Administrative and General (including fringe benefits if not charged directly); Operation of Plant; Maintenance of Plant; Laundry & Linen Service; Housekeeping; Dietary; Maintenance of Personnel; and Medical Records and Library.

9202 - TRANSPORTATION COSTS

Agency costs associated with the provision of transportation for the benefit of the clients of the agency. Other than salaries, most of the costs will be associated with control Account 8700.

9300 - 9399 CLIENT TRANSPORTATION

This expense account group is reserved for expense of travel and transportation of clients of the reporting agency.

9301 - LOCAL BUS & TAXICAB FARES

This account is for the cost of fares charged by licensed public transportation companies, including taxis.

9302 - GAS & OIL - COMPANY VEHICLES

This account is for the cost of gasoline, oil, and other consumable products used in an agency's owned or leased vehicles.

9303 - REPAIRS - COMPANY VEHICLES

This account is for the cost of parts purchased for, or contract repair services used on, agency-owned or leased vehicles.

9304 - INSURANCE - COMPANY VEHICLES

This account is for the cost of premiums of comprehensive insurance contracts, providing coverage for all phases of automotive insurance, for agency-owned or leased vehicles.

9305 - LICENSES AND PERMITS - COMPANY VEHICLES

This account is for the cost of all licenses or permits, local, state or federal, required for the operation of agency vehicles.

9306 - LEASING COSTS - COMPANY VEHICLES

This account is for the cost of hourly, daily, weekly, monthly, or annual lease fees for vehicles.

9307 - TIRES - COMPANY VEHICLES

This account is for the cost of tires purchased for use on agency-owned or leased vehicles.

9308 - DEPRECIATION - AUTOMOTIVE EQUIPMENT

Based on current State guidelines for motor vehicles. Exceptions to the guidelines must be justified and documented by the agency.

9400 - 9499 MISCELLANEOUS

This expense account group is reserved for the cost of expenses not reportable in another account classification. Examples of the type of expenses that may be subsumed under this account include:

- Moving & Recruitment - reimbursement of expenses incurred by candidates invited for job interviews and moving expenses of new appointees and staff transfers authorized by board.
- Bonding Insurance - the cost of premiums for protection against fraudulent or dishonest acts by officers or employees.
- Medical Malpractice Insurance

9401 - EMPLOYEE MALPRACTICE INSURANCE

Self-Explanatory.

9402 - EMPLOYEE BONDING INSURANCE

Self-Explanatory.

9500 - 9599 DEPRECIATION OR AMORTIZATION

This expense account group is reserved for the allocation of the cost, or other carrying value, of physical assets over their estimated useful life. The provision for depreciation or amortization account spreads the cost of such assets over the period of time their use benefits the program and/or support function of the agency.

9501 - DEPRECIATION - EQUIPMENT (Report Under Account 8503)

Based on a State guideline rate of 10% for furniture, fixtures, and equipment. Exceptions to the guidelines must be justified and documented by the agency.

9502 - AMORTIZATION - LEASEHOLD IMPROVEMENT (Report Under Account 8415)

This account is for the cost of amortization expenses for improvements made to leaseholds used in the operation of the agency during the accounting/budget period.

9503 - DEPRECIATION - AUTOMOTIVE EQUIPMENT (Report Under Account 8710)

Based on a State guidelines rate of 20% for motor vehicles. Exceptions to the guidelines must be justified and documented by the agency.

9504 - DEPRECIATION - BUILDINGS (Report Under Account 8416)

Based on a State guideline rate of 3% for buildings and structures excluding land. Exceptions to these guidelines must be justified and documented by the agency.

9600-9699 ALLOCATIONS TO AGENCIES/PAYMENTS TO AFFILIATED ORGANIZATIONS

This expense account group is reserved for allocations to agencies by Federated Fun-Raising Organizations and for dues, quota payments, and other formula based payments by an agency to its affiliate.

9601 to 9690 - ALLOCATIONS TO AGENCIES

The individual account numbers in this series are intended for use by allocating organizations in identifying either the agency to whom the allocation is made, or the program or support function for which an allocation is made. For example, Account 9601 may be used to identify allocations to Family Service Agency or to Adoption Program.

9691 to 9699 - PAYMENTS TO AFFILIATED ORGANIZATIONS

The individual account numbers in this series are intended for amounts paid or payable to another organization - usually the national affiliate of the agency - to sustain, aid, maintain, assist or support the program and support functions of the organization. Usually these payments are in the form of dues, support payments, or quota or formula-based payments. As a rule the payments are not in return for some specific, tangible product or benefit to the paying agency, but in order to maintain the presence or existence of the affiliate. Examples of payments to be charged to this account would be payments to the principal national affiliated organization of the local agency; e.g., local Y.M.C.A. to the National Council of the Y.M.C.A. (Note the distinction between this account and Account 9000).

MILWAUKEE COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES
PURCHASE OF CARE AND SERVICES - MASTER CHART OF ACCOUNTS

ACCOUNTS RELATED TO THE STATEMENT OF INCOME

4000 CONTRIBUTIONS AND DONATIONS

4001 In-Kind Materials
4002 In-Kind Services
4003 Unrestricted Cash
4004 Restricted Cash
4005 Other

4100 CONTRIBUTIONS TO BUILDING FUND

4200 SPECIAL EVENTS

4300 LEGACIES AND BEQUESTS

4301 Endowments
4302 Trusts
4303 Other

4500 COLLECTED THROUGH LOCAL MEMBER UNITS

4600 CONTRIBUTED BY ASSOCIATED ORGANIZATIONS

4700 ALLOCATED BY FEDERATED FUND-RAISING ORGANIZATIONS

4800 ALLOCATED BY UNASSOCIATED AND NON-FEDERATED FUND RAISING ORGANIZATIONS

5000 FEES AND GRANTS FROM GOVERNMENTAL AGENCIES (DO NOT USE. SEE 5100 & 5200)

5100 OTHER GOVERNMENT PURCHASE OF SERVICE

5101 Title XX - Milwaukee County
5102 Title XX - Other Counties
5103 Title IVA (AFDC Unemployed Actual) - Milwaukee County
5104 Title IVA (AFDC Unemployed Actual) - Other Counties
5105 Title IVA (Win) - Milwaukee County
5106 Title IVA (Win) - Other Counties
5107 51.42/.437 - Milwaukee County
5108 51.42/.437 - Other Counties
5109 Title I - Milwaukee County
5110 Title I - Other Counties
5111 Title III - Milwaukee County
5112 Title III - Other Counties
5113 USDA Food Stamps
5114 TITLE XVIII (MEDICARE)
5115 TITLE XIX (MEDICAID)
5116 SOCIAL SECURITY (SS) AND SUPPLEMENTAL SECURITY INCOME (SSI)
5117 CIP revenue from Milwaukee County.
5118 CIP revenue from other counties.
5119 COP revenue from Milwaukee County.
5120 COP revenue from other counties.
5121 Other

ACCOUNTS RELATED TO THE STATEMENT OF INCOME (continued)

5200 GRANTS FROM GOVERNMENTAL AGENCIES

- 5201 Direct Federal Grants
- 5202 Direct State Grants
- 5203 Direct County Grants
- 5204 Direct City and Municipal Grants
- 5206 Title III Grants
- 5210 Other Grants From Governmental Agencies

5300 REVENUES FROM HEALTH MAINTENANCE ORGANIZATIONS AND PREFERRED PROVIDER ORGANIZATIONS

- 5301 Revenue From Title XIX - AFDC Clients
- 5302 Revenue From Non-Title XIX Clients

6000 MEMBERSHIP DUES - INDIVIDUALS

6100 ASSESSMENTS AND DUES - LOCAL MEMBER UNITS

6200 PROGRAM SERVICE FEES

- 6201 Income From Private-Pay Clients
- 6202 Income From Title IVA (AFDC Employed Actual) Clients
- 6203 Income From Title XX Clients (Direct Pay Portion Only)
- 6204 Income From 51.42/.437 Clients (Direct-Pay Portion Only)
- 6205 Income From Client Pick-Up and Delivery Charges
- 6206 Income From Client Insurance Carriers (Other Than Medicare)
- 6207 Other Third-Party Non-Governmental Income

6300 INTRA-AGENCY SALES OF SUPPLIES AND SERVICES

6400 REVENUE FROM DISPOSAL OF ASSETS

- 6401 Sale of Production
- 6402 Sale of Property and Other Assets
- 6403 Sale of Staff Services

6500 INVESTMENT INCOME

- 6501 Interest
- 6502 Dividends
- 6503 Other

6600 GAINS (AND LOSSES) ON INVESTMENT TRANSACTIONS

6900 MISCELLANEOUS REVENUE

MILWAUKEE COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES
PURCHASE OF CARE AND SERVICES - MASTER CHART OF ACCOUNTS

ACCOUNTS RELATED TO THE STATEMENT OF INCOME

4000 CONTRIBUTIONS

All contributions received directly from individual donors and organizations except those identified under Accounts 4500, 4600, 4700 and 4800 are to be included in this classification. Amounts paid ostensibly as memberships, but which are, in fact, contributions, should be included here; likewise, the excess amount paid over the regular membership fee should also be included here.

The following are examples of sources of support to be reported in this category:

- Individuals, including an agency's own Board members, employees and their acquaintances.
- Corporations and other businesses
- Foundations and trusts
- Contributions in response to door-to-door, mail, and other solicitations conducted by an agency itself.
- Fraternal, civic, social and other unrelated groups (i.e., direct contributions--excluding contributions raised through organized campaigns)

4001 - In-kind Materials

Fair Market value of supplies, food, non-depreciable equipment, etc., donated to the agency.

4002 - In-kind Services

Fair market value of professional fees, salaries and other time donated to the agency.

4003 - Unrestricted Cash

Cash donations received for unrestricted use in meeting operating expenses.

4004 - Restricted Cash

Cash donations received for restricted use itemized according to donor restriction. (Restrictions must be those of a donor and may not be restrictions established by action of the agency Board of Directors or the decision of an official of the agency.) Examples of restricted donations might be capital equipment purchase or for fee payments for those clients who cannot pay all or part of their fees.

4005 - Other

Any item not identified in the Accounts 4001 to 4004 above. If amount exceeds 2% of total revenue, total disclosure will be required on a separate schedule.

4100 CONTRIBUTIONS TO BUILDING FUND

Campaigns that voluntary agencies conduct to provide capital for major property additions -- e.g., building --require separate disclosure in an agency's financial statements. The reporting standards require that both the proceeds of these campaigns and their fund-raising expenses be reflected in an agency's financial statements in the Land, Building and Equipment Fund. The magnitude of such campaigns would usually result in their increasing both an agency's total contributions and total fund-raising expenses for a year in which a campaign was conducted. If not reported separately, this would preclude useful comparisons of results for other years of other organizations.

4200 SPECIAL EVENTS

The "Special Events" classification is provided to reflect support and incidental revenue --e.g., paid-for advertising in printed programs--derived from all of an organization's special fund-raising events during the period of the report. These are affairs in which something of value is offered directly to participants for (or in anticipation of) a payment and a contribution adequate to yield revenue for the sponsoring agency over and above direct costs and expenses. Dinners, dances, bazaars, card parties, fashion shows, and cookie, candy and greeting card sales are examples of special fund-raising events.

With the exception of special situations noted below, telethons and other forms of TV and radio entertainment are, as a rule, not considered "Special Events" for public reporting purposes.

Contributions received in response to appeals of these types are to be reported as ordinary contributions and expenses attributable to the appeals, as fund-raising expenses.

4300 LEGACIES AND REQUESTS

This category is to be used to report all legacies and bequests. A legacy or bequest is a gift made through a will, e.g., gifts passing to the ownership of an agency by will after the death of a donor.

Legacies or bequests may be unrestricted or they may be designated either for specific program purposes or for endowment or for both. They should be reflected in the accounts of the organization at the time that an unassailable right to the gift has been established by the court and the proceeds are measurable in amount, and should be reported in the Fund which is to be benefited.

As a rule, the receipt of legacies and bequests is difficult to predict and, therefore, is not related to the fund-raising efforts and expense of an agency in any given year. Nevertheless, many organizations actively seek gifts through legacies and bequests, and some spend substantial sums in doing so.

Further, such gifts are often substantial in size. Both their unpredictability and their potential size make it desirable that legacies and bequests be set forth separately by all organizations to facilitate evaluation of an agency's other contributions.

4301 - Endowments

All income earned or principal used from non-government grants or endowments given to the agency. Distinguish between restricted and non-restricted as to use.

4302 - Trusts

All income earned or principal used from non-government trusts set up for the benefit of the agency.

4303 - Other

All income earned or principal used from special funds established for the benefit of the agency by its Board of Directors other than amounts covered under Accounts 4301 and 4302; i.e., equipment replacement fund, etc.

4500 COLLECTED THROUGH LOCAL MEMBER UNITS

Some national health and welfare organizations obtain major financial support from fund-raising campaigns conducted by their local affiliates and publicized by them as campaigns for support of the national, as well as the local organization. As a rule, the proceeds of such a combined national-local fund-raising campaign are allocated between the local agency and its national affiliate on the basis of a predetermined ratio. When both of these conditions are met, the national organization should report its net share--in effect, public support derived through efforts of the local agency expressly on its behalf--in this sub-classification, and in addition, parenthetically, the fund-raising costs related to its share.

4600 CONTRIBUTED BY ASSOCIATED ORGANIZATIONS

This sub-classification is to be used to report contributions from members, auxiliaries, circles, guilds and other organizations closely associated with the reporting organization. It should not be used for reporting membership payments in the form of dues or assessments. Only contributions from organizations related to the recipient by identity of program or clientele should be reported here. Contributions from a sponsoring "parent" agency or from sponsoring religious bodies would also be reported here, but not contributions from a local civic organization or other unrelated group. The amounts shown against this classification are net of related fund-raising costs, if any.

Excluded from this classification, in addition, are contributions or allocations received from federated fund-raising organizations, such as the local United Way and other fund-raising organizations, including such sectarian organizations as the various Catholic Charities and Jewish Federations. Contributions

received from organizations which are unmistakably fund-raising organizations belong in Accounts 4700 and 4800 below.

4700 ALLOCATED BY FEDERATED FUND-RAISING ORGANIZATION

All allocations, appropriations and other forms of financial support received or receivable from federated fund-raising organizations are to be reported in this classification. The particular organization from which the support was received may be identified in place of a federated fund-raising organization. The amounts shown are net of related fund-raising costs, if any and in addition, parenthetically, the fund-raising costs related to its allocation.

4800 ALLOCATED BY UNASSOCIATED AND NON-FEDERATED FUND-RAISING ORGANIZATIONS (4800-4899)

This category is provided for reporting support derived from fund-raising campaigns that is received from specialized fund-raising organizations that are neither associated with a reporting agency as previously described (under "Contributed by Associated Organizations") nor with "Federated Fund-Raising Organizations." It is to be used to report allocations to an agency which result from independent non-federated campaigns for multiple-agency support, e.g., those conducted by some large plants, by charity-support organizations within trade associations. It is recommended that the specific sources be identified and shown in an agency's report. The amounts shown are net of related fund-raising costs, if any, and in addition, parenthetically, the fund-raising costs related to its allocation.

5000 FEES AND GRANTS FROM GOVERNMENTAL AGENCIES (5000-5999)
(Do not use. See 5100 & 5200)

5100 OTHER GOVERNMENT PURCHASE OF SERVICE

Include all income from charges for program services provided to service recipients according to the subaccounts listed below.

5101 - Title XX Recipients - Milwaukee County DPW*

5102 - Title XX Recipients - Other County*

5103 - Title IVA (AFDC - unemployed actual) - Milwaukee County*

5104 - Title IVA (AFDC - unemployed actual) - Other County*

5105 - Title IVA WIN - Milwaukee County

5106 - Title IVA WIN - Other County*

5107 - 51.42/.437 - Milwaukee County*

5108 - 51.42/.437 - Other Counties*

5109 - Title I - Milwaukee County*

5110 - Title I - Other County*

5111 - Title III - Milwaukee County

Office on Aging

5112 - Title III - Other County

Office on Aging

5113 - USDA Food Stamps

All reimbursements from USDA in the form of food stamps.

5114 - TITLE XVIII Medicare Revenues*

5115 - TITLE XIX Medicaid Revenues*

5116 - Social Security (SS) and Supplemental Security Income (SSI)

5117 - CIP Revenue from Milwaukee County*

5118 - CIP Revenue from Other Counties*

5119 - COP Revenue from Milwaukee County*

5120 - COP Revenue from Other Counties*

5121 -Other

Target Cities Voucher Revenue

5122-5199 Other Governmental Purchase of Service

Use these accounts to identify other governmental purchase of service according to funding source.

(*) Self-explanatory.

5200 GRANTS FROM GOVERNMENTAL AGENCIES

All lump sum amounts provided by governmental agencies for specific purposes unrelated to charge rates for units of service. For each subaccount listed below, all grants should be itemized according to source, i.e., Federal grants, HEW, HUD, USDA, etc.

5201 - Direct Federal Grants

Self-explanatory.

5202 - Direct State Grants

Self-explanatory.

5203 - Direct County Grants

Self-explanatory.

5204 - Direct City or Municipality Grants

Self-explanatory.

5206 - Title III Grants

Self-explanatory

5210 - Other Grants from Governmental Agencies

(Includes Government Tax Revenue if Applicable)

5300 REVENUES FROM HEALTH MAINTENANCE ORGANIZATIONS AND PREFERRED PROVIDER ORGANIZATIONS

5301 - Revenue from Title XIX - AFDC Clients

This represents revenues received on behalf of clients enrolled in an HMO/PPO under contract with DHHS to provide medical services to AFDC recipients.

5302 - Revenue from non-Title XIX Clients

This represents revenues received on behalf of clients enrolled in an HMO/PPO as a form of insurance, either employee provided or self-provided.

6000 MEMBERSHIP DUES-INDIVIDUALS

This caption is to be reserved for amounts received by any organization for personal memberships that procure directly for the member, substantial, private benefits commensurate in value with the amount of the dues.

Substantial direct, private benefits include the use of agency recreational, consulting and other facilities and services, the right to receive directly useful publications, or the enjoyment of a professional standing or other honor. Types of memberships should be distinguished.

6100 ASSESSMENTS AND DUES-LOCAL MEMBER UNITS

This sub-classification is intended for reporting--where such separate reporting is necessary--amounts received by an organization from its member agencies (at the local, state, regional and national levels, etc.) for general membership benefits. Use of the classification should be restricted to revenues from dues, fair share quotas and similar assessments against member agencies to cover regular services, publications, supplies and other membership benefits furnished to all member agencies of the same class. Amounts received from fund-raising campaigns that solicit support for both the sponsoring agency and its national affiliates, the proceeds of which are divided between the participants according to a pre-determined formula, do not belong in this caption.

Amounts received as fees for special consulting services to particular member agencies and revenue from sales of supplies ordered by and billed separately to individual agencies should not be reported her, but should be shown under "Intra-Agency Sales of Supplies and Services."

6200 PROGRAM SERVICES FEES

This caption includes two distinct types of revenue received from participants in an agency's programs, i.e., from the public at large and from publicly supported clients. The first type is fees received by all agencies for services from clients paying their own way. The second consists of the amounts received from clients in addition to payments received from governmental sources, e.g., fees collected from participants for extra non-program services or for pre-determined client share of regular service charges.

6201 - Income from Client Collections

Self-explanatory.

6202 - Income from Title IVA (AFDC Employed Actual) Clients

Self-explanatory.

6203 - Income from Title XX Client (Direct-Pay Portion Only)

Self-explanatory.

6204 - Income from 51.42/.437 Clients (Direct-Pay Portion Only)

Self-explanatory.

6205 - Income from Client Pick-Up & Delivery Charges

Self-explanatory.

6206 - Income from Client Insurance Carriers (Other than Medicare)

Self-explanatory.

6207 - Other Third Party Non-Governmental Income

Self-explanatory.

6300 INTRA-AGENCY SALES OF SUPPLIES & SERVICES

Self-explanatory.

6400 REVENUES FROM DISPOSAL OF ASSETS

Sales to the general public of capital assets, products manufactured during the course of providing care and services to eligible clients, and staff services other than covered under programs furnished.

6401 - Sale of Production

Self-explanatory.

6402 - Sale of Property and Other Assets

Self-explanatory.

6403 - Sale of Staff Service

Self-explanatory.

6500 INVESTMENT INCOME

An organization may earn income from a variety of investments, such as securities surplus, real estate, patents and other convertible assets, any of which could have resulted from the generation of surplus operating capital, bequests and various non-operating revenues earned. In form, investment income may include interest, dividends, rentals, royalties, and even net earnings from activities, e.g., operation of an office building acquired through an endowment, conducted solely for the production of income.

Income on investments of unrestricted funds should be reported in "Investment Income" of the Current Unrestricted Fund.

6501 - Interest

Differentiate between interest and investments of restricted and unrestricted capital amounts.

6502 - Dividends

Differentiate between dividends from investments from restricted and unrestricted capital amounts.

6503 - Other

Include investment income not includable in Account 6501 & 6502 above. Also differentiate between such income in terms of investments of restricted and unrestricted capital amounts.

6600 GAINS (AND LOSSES) ON INVESTMENT TRANSACTIONS

This account is to include realized gains and losses related to investment transactions. Report gains and losses only upon the sale or conversion of investments. (The net amount of gains and losses should be reported under this account even if the net figure is a loss.)

6900 MISCELLANEOUS REVENUE

This account needs no explanation, but a word of caution may be appropriate. If the revenue of an agency has been properly classified, very little should usually remain to be shown as "Miscellaneous." Transactions that may be run through a "revolving" or "transitory" items account can generally be applied, as they occur, to the specific revenue and expense accounts affected. Many are recognizable as involving funds belonging to someone other than the agency.

NOTE: Do not include revenue that is directly under Title to either clients served or other third-party non-agency persons and entities.